

## Message Text

CONFIDENTIAL

PAGE 01 NAIROB 04038 301507Z

ACTION AF-08

INFO OCT-01 EUR-12 ISO-00 CIAE-00 COME-00 EB-08 INR-07

LAB-04 NSAE-00 SIL-01 /041 W

-----311115Z 054154 /11

R 301412Z MAR 77

FM AMEMBASSY NAIROBI

TO SECSTATE WASHDC 7162

INFO AMEMBASSY DAR ES SALAAM

AMEMBASSY LONDON

AMEMBASSY VICTORIA

C O N F I D E N T I A L NAIROBI 4038

E.O. 11652: GDS

TAGS: ELAB, KE

SUBJECT: COTU PRESSES FOR MINIMUM WAGE INCREASE AND SUSPENSION  
OF WAGE GUIDELINES

1. THE LEADERSHIP OF THE CENTRAL ORGANIZATION OF TRADE UNIONS (COTU), WHICH HAS BEEN MORE THAN NORMALLY QUIESCENT THROUGHOUT PAST YEAR, IS NOW MAKING VIGOROUS EFFORT TO ACHIEVE MINIMUM WAGE ADJUSTMENT AND SUSPENSION OF EXISTING GOVERNMENT IMPOSED WAGE GUIDELINES. COTU EXECUTIVE BOARD HAD DECIDED EARLY IN 1977 TO PRESS FOR HOUSING BENEFITS IN LIEU OF WAGE INCREASE THIS YEAR; HOWEVER, GOVERNMENT ANNOUNCEMENT MARCH 1 OF SHARPLY INCREASED RETAIL PRICES FOR BASIC CONSUMER GOODS HAD NOT BEEN ANTICIPATED AND FUNDAMENTALLY CHANGED SITUATION, IN COTU'S VIEW.

2. COTU LEADERS HAVE NOW HELD TWO FORMAL MEETINGS WITH MINISTER OF LABOR NYAMWEYA ON SUBJECT OF MINIMUM WAGE AND WAGE GUIDELINES. TO SUPPORT ITS POSITION, COTU HAS SUBMITTED CAREFULLY PREPARED PAPERS DOCUMENTING FOOD PRICES, RENT, AND OTHER BASIC LIVING COSTS IN NAIROBI, OTHER TOWNS, AND IN AGRICULTURAL REGIONS. COTU IS SEEKING TO HAVE MINIMUM WAGE INCREASED TO 473 KENYA SHILLINGS PER MONTH  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NAIROB 04038 301507Z

(APPROXIMATELY \$59.00) ON A NATIONWIDE BASIS.

AT PRESENT TIME MINIMUM MONTHLY WAGE IS 300 SHILLINGS IN NAIROBI AND MOMBASA AND 240 SHILLINGS ELSEWHERE. WITH RESPECT TO EXISTING WAGE GUIDELINES, WHICH ESTABLISH THE MAXIMUM WAGE INCREASES WORKERS CAN WIN FROM EMPLOYERS, COTU SEC GEN JUMA BOY HAS CHARGED PUBLICLY THAT THESE REPRESENT A SUBSIDY TO EMPLOYEES WHICH, IF NOT

ALTERED, WILL LEAD TO INDUSTRIAL UNREST.

3. NYAMWEYA REPORTEDLY TOLD COTU LEADERS AT MARCH 24 MEETING THAT INFLATION IN COUNTRY JUSTIFIES REEXAMINATION OF MINIMUM WAGE LEVEL, BUT HE REJECTED ARGUMENT THAT A SINGLE MINIMUM WAGE SHOULD BE APPLIED NATIONWIDE. HE OFFERED NO ENCOURAGEMENT ON QUESTION OF SUSPENSION OF WAGE GUIDELINES.

4. COMMENT: NYAMWEYA'S REACTION SUGGESTS THAT SOME ADJUSTMENT WILL BE MADE IN MINIMUM WAGE. THIS COULD WELL BE ANNOUNCED BY PRESIDENT KENYATTA ON MAY 1 (LABOR DAY) IN LIKE MANNER TO WAGE INCREASE HE ANNOUNCED ON MAY 1, 1975. COTU'S REEMERGENCE AT THIS TIME AND IN THIS MANNER IS A HEALTHY DEVELOPMENT. OBSERVERS HERE SAY THAT FOR THE FIRST TIME IN RECENT YEARS COTU HAS PRESENTED ITS CASE IN A HIGHLY PROFESSIONAL MANNER BACKED UP BY WELL-RESEARCHED AND DOCUMENTED PAPERS. FURTHERMORE, JUMA BOY'S MEETINGS WITH NYAMWEYA HAVE BEEN COVERED BY LOCAL PRESS SO THAT IF MINIMUM WAGE IS RAISED COTU WILL GET CREDIT IN MINDS OF WORKERS, WHICH WILL STRENGTHEN ORGANIZED LABOR MOVEMENT.  
MARSHALL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COLLECTIVE BARGAINING, LABOR OBJECTIVES, WAGE RATES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 30-Mar-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977NAIROB04038  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770110-0570  
**Format:** TEL  
**From:** NAIROBI  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977037/aaaaafmy.tel  
**Line Count:** 85  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 04d2bab9-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION AF  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 04-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3138558  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** COTU PRESSES FOR MINIMUM WAGE INCREASE AND SUSPENSION OF WAGE GUIDELINES  
**TAGS:** ELAB, KE, COTU  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/04d2bab9-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009